

DHS Policy 1066, Performance-Based Contracting Policy

SUMMARY

The Department of Human Services (DHS) 1066, Performance-Based Contracting Policy, has been updated to correct and amplify the requirements for performance indicators.

Changes include the following:

- 1066.2.0 The policy now applies to all professional and consultant service (PCS) contracts **except** those that are:
- sole source by law contracts in which the state is compelled as a result of court, state or federal mandate to award for services from a specific provider
 - executed as Emergency contracts
 - for Architectural and Engineering services that are awarded using Arkansas Building Authority (ABA) criteria
 - for \$10,000.00 or less (compensation and reimbursable).
- 1066.2.D **Added**: “DHS strongly encourages the use of performance indicators for ALL PCS contracts regardless of the dollar value or procurement method unless the DHS division/office director determines performance evaluation would not be cost effective.”
- 1066.3.2 **Revised** “Goal” to “Benchmark Objective.”
- 1066.4.6 **Added**: “Performance based standards must be re-approved by OCC at least every seven (7) years.”
- 1066.5.2 **Deleted** the following items as part of the end-of-year closeout procedures:
- “Report to Office of Administrative Services (OAS), Contract Support Section (CSS), any that have performed at an Unsatisfactory level along with a short synopsis of the problem and the ultimate remedy that was applied.”
 - “Report to OAS/CSS that the performance of all remaining contracts was considered Satisfactory.”
 - “Per Act 1255 of 1993, DHS must provide a summary report to the legislative Joint Committee on Public Health, Welfare, and Labor listing the overall assessment of performance of each contract at the end of each state fiscal year.”